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# FEDERAL COMMUNICATIONS COMMISSION OFFICE OF SECRETARY



Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

In the Matter of	)	
	)	
Amendment of Policies and Rules	)	CC Docket No. 94-158
Concerning Operator Service	)	<b>-</b>
Providers and Call Aggregators	)	DOCKET FILE COPY ORIGINAL

# AT&T'S REPLY COMMENTS

Pursuant to the Commission's Notice of Proposed Rulemaking and Notice of Inquiry released on February 6, 1995, AT&T Corp. ("AT&T") hereby replies to the comments filed on March 9, 1995.

Double Branding on Collect Calls Sprint (p. 1), CompTel (p. 2), Ameritech (p. 3), GTE (pp. 1-2), Pacific (p. 1), SWBT (p. 3), Michigan (p. 2) and Texas (p. 2) all agree with AT&T (pp. 2-4) that the Commission's rules should be amended to require that branding information be provided to both the calling and called parties on collect calls.<sup>2</sup>

(footnote continued on following page)

A list of all commenters, and the abbreviations used to refer to such parties, is appended as Attachment A.

See also APCC (pp. 2-3) (supports the objectives of this rule but suggests that it be accomplished through a different mechanism). Although AT&T does not believe that it is necessary, AT&T would have no objection to the clarification suggested by Ameritech (p. 2), which would expressly state that the called party is obliged to pay the charges for such calls. On the other hand, AT&T does not concur with SWBT's assertion (p. 3) that the only complete solution to this problem is the adoption of Billed Party Preference ("BPP"). For the reasons set

Many OSPs recognize the importance of providing such information and have already adopted this practice.<sup>3</sup> MCI, however, attempts to stand the clear meaning of the existing rules on its head, and is the only commenter who opposes the delivery of branding information to the calling party, <u>i.e.</u>, the party who initiates the call.<sup>4</sup> However, even MCI agrees that branding should be provided to the called party. This is the exact change the Commission proposes to make by amending the rule.<sup>5</sup>

<sup>(</sup>footnote continued from previous page)

forth in its pleadings in CC Docket No. 92-77, AT&T does not believe that the current BPP proposal is viable or cost-effective.

AT&T, p. 4; CompTel p. 2 (most OSPs follow the practice); see also Pacific, p. 1 (provides double branding on intraLATA collect calls); Ameritech, p. 3.

See 47 C.F.R. § 64.708(d); AT&T, pp. 2-3. See also Texas, p. 2 ("Currently, by definition, consumer refers only to the person originating the interstate call.").

MCI's arguments opposing the use of branding for the calling party not only fly in the face of the existing rules and the practice of many OSPs, they would also continue to create consumer confusion (see Attachment A to AT&T's Petition). Moreover, MCI's assertion (p. 6) that calling parties need only be given the "1-800-COLLECT" brand is inconsistent with its practice of branding and billing the call as "MCI" to the called party. Finally, MCI's assertion (p. 4) that AT&T supports this rule clarification because it wishes "to eliminate [a] competitive threat" is ludicrous, and rests on the mistaken assumption that consumers could be harmed by receiving unambiguous information about who is providing them with operator services.

Emergency Calls The commenters generally agree that the Commission's proposed rule for aggregators' handling of emergency calls is appropriate. Although AT&T does not believe that an OSP should be able to relieve

itself of the obligation to handle emergency calls simply because it has had a request from an aggregator, OSPs and aggregators should be permitted to work together to assure compliance with Section 64.706 of the Commission's Rules.

Inmate-Only Telephones The vast majority of commenters supported continuation of the Commission's existing policies regarding inmate-only telephones at correctional institutions. Only the Texas PUC (pp. 3-4) and the Nevada PSC (pp. 1-3) suggested changes in the Commission's rules regarding inmate-only telephones.

The regulations suggested by the Texas PUC are already in effect, because they are rules that apply to OSPs. Such rules apply equally to OSP services from all

See, e.g., AT&T, p. 4; CompTel, p. 2; Ameritech, p. 4; SWBT, pp 3-4; GTE, pp. 2-3.

<sup>&</sup>lt;sup>7</sup> <u>See</u> Sprint, p. 2.

E.g., AT&T, pp. 5-6; MCI. pp. 7-8; Sprint, p. 3; Pacific, p. 3; SWBT, p. 4; ICSPTF, p. 11. See also Ameritech, pp. 5-6 and GTE, pp. 3-4 (noting the "unique" issues involved and urging caution in any revision of the existing rules).

telephones, including payphones at correctional institutions. The Nevada PSC's concerns (p. 2) focus upon "excessive rates charged by confinement service providers for telephone calls from inmates." AT&T (p. 6) and other commenters, demonstrated that this concern does not require a change in the classification of inmate telephones

themselves. Rather, such matters can be resolved by direct supervision of the reasonableness of OSPs' rates from such telephones. The rates of certain OSPs are currently the subject of two separate proposals now before the Commission. Thus, the issue raised by the Nevada PSC can be appropriately resolved in the context of those more general proceedings, and there is no reason to institute a separate rulemaking limited to inmate-only telephones.

Aggregator Telephones The commenters generally agreed with AT&T (pp. 6-8) that the Commission should require aggregators to update the consumer information on their

 $<sup>^9</sup>$  E.g., ICSPTF, p. 7; Pacific, p. 4; MCI, p. 8.

Public Notice, DA 95-473, released March 13, 1995 (requesting comments on CompTel's filing in CC Docket No. 92-77, proposing a rate ceiling on OSP calls and on the Petition for Rulemaking of the National Association of Attorneys General, proposing additional disclosures by some OSPs, RM-8606).

telephones.<sup>11</sup> The commenters differed, however, on the amount of time that aggregators should be allowed to make such changes. Those suggesting time intervals made proposals ranging from 7 days (Michigan, p. 5) to 45 days (SWBT, p. 5), with some commenters suggesting a "reasonable" but unspecified time.<sup>12</sup>

AT&T suggests that the Commission keep consumers' interests in the forefront as it determines the appropriate time limits for such a requirement. It is consumers who, through no fault of their own, are subjected to incomplete and/or outdated and incorrect information. Thus, the Commission's rule should require aggregators to update the information on their phones in the shortest time reasonably necessary.<sup>13</sup>

E.g., Sprint, p. 5; SWBT, p. 5; Frontier, pp. 1-2. Frontier (id.) also suggests that the Commission "clarify" that the disclosure obligation applies only to the instrument owner. AT&T believes that this is unnecessary, because the requirement is already inherent in the existing rules.

See AT&T (p. 7) (15 days); Sprint (p. 5), NYNEX (p. 2), and Texas (p. 4) (30 days); GTE, p. 5, CompTel, pp. 3-4 and APCC (p. 8) (changes should be made in a reasonable time). See also Pacific, p. 5 (no time limit should be set, but Pacific makes changes within three weeks).

To the extent that LECs are concerned about the costs created by "slamming" (see, e.g., NYNEX, p. 2; Pacific, p. 5), AT&T (p. 8) recommends that such costs be recovered from the offending OSP.

Furthermore, the Commission should recognize that the potential for consumer abuse is greatest at payphones. Consumers using aggregator telephones at hotels, hospitals or universities can typically call the front desk or an administrative office for information about the available telephone services. Callers at payphones, however, often have no one they can talk to, especially if the information required under the Commission's rules is not posted.

Therefore, AT&T recommends that if the Commission adopts a time limit of more than 15 days, the rules should specifically state that owners of payphones must make the necessary changes within the prescribed time or at the next scheduled date for servicing of the phone, whichever is earlier.

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## Conclusion

For the reasons stated above and in AT&T's Comments, the Commission should adopt rules for OSPs and aggregators as suggested above.

Respectfully submitted,

AT&T CORP.

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Dated: March 24, 1995

#### Attachment A

# Parties Filing Comments in CC Docket No. 94-158

American Public Communications Council ("APCC")

Ameritech Operating Companies ("Ameritech")

Ameritel Pay Phones, Inc.

AT&T Corp.

Competitive Telecommunications Association ("CompTel")

Consolidated Communications Public Services, Inc.

Executone Information Systems, Inc.

Frontier Communications International, Inc. ("Frontier")

Gateways Technologies, Inc.

Global Tel\*Link

GTE Service Corporation ("GTE")

Inmate Calling Services Providers Task Force ("ICSPTF")

MCI Telecommunications Corporation ("MCI")

Nevada Public Service Commission ("Nevada PSC")

NYNEX Telephone Companies ("NYNEX")

Opus Correctional Inc. d/b/a LocTel

Pacific Bell and Nevada Bell ("Pacific")

Robert Cefail & Associates American Inmate Communications, Inc.

Southwestern Bell Telephone Company ("SWBT")

Sprint Corporation ("Sprint")

State of Michigan ("Michigan")

Texas Public Utility Commission ("Texas PUC")

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# CERTIFICATE OF SERVICE

I, Ann Abrahamson, hereby certify that a true copy of the foregoing Reply Comments of AT&T was served this 24th day of March, 1995 by first class mail, postage prepaid, to the parties listed on the attached service list.

Ann Abrahamson

Attachment

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<sup>\*</sup> designates delivery by hand